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MEMORANDUM FOR THE RECORD

SUBJECT: ICS Management Conference, 25-26 September
25X1   1975, [   ]

1.   An ICS Management Conference was held [   ]   25X1
25X1 [   ] 25-26 September 1975.
Mr. Knoche conducted the Thursday afternoon session which
started at 1330. Gen. Wilson joined the group Thursday
evening. The conference lasted until Friday afternoon and
encompassed 14 hours of discussion. A list of the attendees
is attached.

2.   The purpose of the conference was to explore views
and ideas on aims, objectives and goals of the IC Staff, and
then discuss priorities and staff organization. A paper prepared
25X1 by [   ] on IC Staff goals served as a backdrop for the
first portion of the meeting. In this paper [   ] emphasized   25X1
that the primary goal of the Staff should be to support the DCI in his
role as leader of the National Foreign Intelligence Community.
Further definition of this goal, establishment of priorities, and
reshaping of the ICS organization is dependent on how the DCI
25X1 sees his role. [   ] also pointed out the need to
consciously recognize whether the ICS goal was to enable the
DCI to do his job better as he currently views his role or to
provide a platform for him to move in new directions.

3. Some conclusions from the initial session Thursday   25X1
afternoon include:

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- Whatever uncertainties exist with regard
  to the future, it is pertinent for the ICS to
  review its goals and priorities and reexamine
  its organization. Any DCI will require the
  Staff's capacity and support.

- The Schlesinger report of 1971 is still
  pertinent in determining the role of the ICS.
  It emphasized the need for product improvement,
  improved Community planning, the need for
  Community leadership, the apportioning of
  work within the Community, the requirements
  problem--matching collection with exploitation
  and analysis, and the need for collection of
  resource data for management purposes.

- Currently, the Staff is doing too many things
  and is not well focussed. We need to prioritize
  our work.

- The IC Staff lacks a charter as does the NIO
  Staff. NIO's and ICS need to work closely
  together; relations need improving. A charter
  would be useful in terms of clarifying ambiguities
  in the Community as to the ICS and NIO roles.

- The conceptual notion of a three-step cycle
  involving planning, guidance, and evaluation
  is valid as a basis for an ICS organizational
  proposal. There needs to be more Staff
  interaction horizontally in carrying out these
  functions.

- The IC Staff should do more in the planning
  arena. The DCI has specified that we should
  concentrate on mid-term plans.

2

SECRET   25X1

- Providing fiscal guidance to Community
  elements is one example of an ICS initiative
  that could be employed.

- The IC Staff should be goal-oriented.

4. The Thursday evening session led by Gen. Wilson
encompassed a discussion of an inter-departmental effort
headed by Jack Marsh, Special Counsel to the President, to
deal with problem areas arising from the ongoing Congressional
investigations of intelligence, including means of countering
adverse reactions in the Congress, the media, and the public.
Three factors bearing on the current investigations include
(1) there has been overstepping of authority in the past that need
fixing; (2) there is a power struggle between the Congress and
the President--intelligence is in the middle; (3) some political
figures are willing to exploit the situation for their own benefit.

5. General Wilson reviewed his new responsibility as
the head of a task force to oversee an educational action plan.
There was a lively discussion on the merits of an Agency public
relations program and how this could be accomplished, with
some expressing doubts about the Agency getting into this arena.
The fact that the Agency traditionally has stayed out of the public
relations field and is poorly equipped to do so was mentioned.

6. Also discussed at the Thursday evening meeting was
the role of the DCI as the Community leader and the effect of
moving the DCI and his Community Staff to a downtown location.
The DCI two-hatted role was discussed and the effect of his being
separated from his power base was considered. The need for
the DCI having a substantive arm as well as his role in resource
allocation were reviewed with alternative Community organizational
relationships examined.

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SECRET   25X1

7. The Friday morning session dealt with an examination of Staff priorities, including how to strengthen our planning ability, the need for increased attention to exercising DCI Community leadership (guidance vs. management) and the need for improved evaluation, including horizontal as well as vertical looks at the Community. Functions, including planning, crisis management, national/tactical interface, economic intelligence, HUMINT, and product improvement were examined in terms of what we are doing now and should be doing in the future.

8. Planning was seen as a priority function which needs greater emphasis. The nature of planning was reviewed with the point made that corporate planning should provide the framework for detailed planning by subelements. Establishing goals and objective is one part of planning. The value of the corporate plan in evaluating component performance also was mentioned. The ICS role was seen as developing a corporate-like plan.

9. There was consensus agreement that warning/crisis management is another top priority ICS function. Less clear was exactly what this function encompassed and what the Staff's role should be. Some of the major points made were:

- ICS has no operational function--no directive role; knowing where to desist from further involvement is a problem.

- ICS needs to cause change--make improvements happen.

- USIB is one mechanism that can be used in dealing with this problem--also post-mortems.

- ICS has a resource problem in this area--only one person full time.

4

- An integrated Staff approach is needed--planning, programming and evaluation.

- Crisis and warning are not necessarily the same-- warning is clearly a DCI function; crisis is a NSC function.

10. The nature of the requirements function was looked at and the ICS role in the process discussed. A distinction was made between collection and production requirements and the need to reflect these in a programming and resource sense was noted. One of the major Staff roles in this arena is to identify the issues.

11. Performance evaluation as a major priority function was also discussed in some detail. This was related to product improvement--a major subelement of the evaluation function--as well as assessment of collection and processing activities. The need for a horizontal look at the total process of collection, processing and production was seen as a major Staff effort requiring an integrated approach.

12. The HUMINT function was reviewed with the following points made:

- The HUMINT contribution is vital to the production of intelligence.

- There is no national manager for human source collection resulting in unclear lines of responsibility and unfocussed efforts.

- Cultural problems hamper improvements in this field; the appointment of an Ambassador as the Chairman, Human Sources Committee, is the key to bridging cultural and institutional gaps.

- Gen. Wilson's role as Chairman, HSC, is an interim solution and serves to focus attention on this problem area. The role will decrease as some initiatives are set in motion and others take over.

13. Another priority function discussed was resources management and evaluation. The fact that the IRAC and IRAC Working Group mechanism is not working well was noted. The problem of DCI-ASD(I) autonomy was noted as one of the prime reasons for the system not working well. The provision of Community fiscal guidance was seen as one initiative that would take the issue beyond the present jurisdictional dispute area.

14. At the end of the discussion the following list of priority functions was developed:

(1) National plans
(2) Warning/crisis management
(3) Requirements
     (a) National mechanism
     (b) Economic intelligence
     (c) National/tactical
     (d) HUMINT
(4) Product review
(5) Collection and processing evaluation
(6) Resource management/evaluation
     IRAC
(7) Trouble-shooting; fixing, expediting
(8) Public relations--educating

15. The Friday afternoon session was devoted to a discussion of the role of USIB committees and the proposed reorganization of the IC Staff. The discussion of the USIB committees revolved around the relationship of committee chairmen and their staffs to ICS. Noting that the chairmen of four USIB committees (Security, IHC, SIGINT and HSC) are currently an integral part of the IC Staff, the question of whether or not the Chairman of COMIREX and the substantive and other functional committees should be part of the IC Staff was discussed with no conclusions

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reached. It was noted that [ ] will participate in
a study with the DDI on the future subordination of COMIREX
as well as a look at the future role of DDI/CGAS.

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16. The last portion of the conference was devoted to the
reorganization proposal. Gen. Wilson raised the problem of the
possibility of having to split the Staff should it be relocated
at a downtown location. Various options were discussed for
organizational elements that would remain elsewhere, either
at Langley or perhaps the Pentagon or such other sites. The
importance of the DCI remaining close to his substantive arm
(the NIOs) was mentioned as well as ICS relationships with the
NIOs. The advantage of ICS being on neutral ground--out of the
CIA Headquarters Building--was cited as one factor that could
improve our "Community" image.

17. The three proposed organizational boxes were looked
at--plans, resources, and performance evaluation--with the
discussion centering on what subelements should be included
under each of the boxes. There was consensus agreement that
the proposed three boxes made sense in terms of shaping the
Staff to meet its objectives but no agreement on what functions
would be included under them. Attention centered on the "performance
evaluation" box and where current functions would fit. Several
alternatives were considered with no agreement reached. There
was agreement that more refined mission statements need to be
developed. [ ] was tasked with developing a detailed
organizational proposal using a task force to include Division and
Staff representatives. General Wilson requested that mission
statements be developed for each of the proposed boxes, such
statements to be ready for his examination in about one week.

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Attachment: as stated.

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ATTENDEES

Lt. Gen. Samuel V. Wilson
Deputy to the DCI for the Intelligence Community

Mr. E. H. Knoche
Associate Deputy to the DCI for the Intelligence Community

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Principal Deputy for Planning, ICS

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Chief, Product Review Staff, ICS

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Acting Chief, Management Planning & Resources Review Division, ICS

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Special Assistant/D/DCI/IC

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Product Review Division, ICS

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Deputy Chief, Collection & Processing Assessment Division, ICS

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Chief, HUMINT Branch, ICS

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Executive Officer, ICS

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Office of Principal Deputy for Planning, ICS

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Management Planning & Resources Review Division, ICS

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Chief, Registry, ICS

24 September 1975

NOTE FOR: General Wilson

Sam:

This background book for the ICS Management Conference contains the following:

- The general instructions, agenda, and list of attendees.

- Under TAB A, [   ] paper on ICS goals.   25X1

- Under TAB B, the instructions for preparation of data on ICS priorities; the responses from the Staff elements; and a summary of the data submitted.

- Under TAB C, an organization chart of the new proposed alignment of ICS; [   ] paper on Staff reorganization; proposed missions and functions of the new Staff elements; an updated personnel report and current ICS organization chart.   25X1

- Under TAB D, (your book only) [   ] paper of September 1974 on ICS Role in Education and Training.   25X1

Here are some random thoughts on the conference.

By the time you arrive Thursday evening we should have completed a fairly thorough discussion of [   ] paper on goals, and will probably have talked a good deal about priorities. Your first order of business will be to listen to a report from [   ] on what we have covered. This will set the stage for your discussion of priorities on Thursday evening.   25X1
                                                    25X1

As you look at the data we collected from the Staff elements
on man hours and tasks grouped against the four priority groups
25X1 established by [   ] and the 10 categories of priorities
which you established, you will note that the responses were uneven.
The reason for this is because of the different interpretations placed
on the definitions of the groups and categories by the Divisions.
There was not enough time to go back to the Divisions and purify
the data but I think it is helpful as long as it is regarded as a
"rough order of magnitude" response. It will not be very useful
if we spend too much time in quibbling about how the instructions
were interpreted or the data recorded. The most important thing
is to understand what is there.

25X1 [   ] has included some additional background data on PRD
activities prepared in 1974 which he is anxious for you to read prior
to the conference. I believe he feels that PRD as it is presently
organized and functioning is threatened and he is quite anxious to
establish a rationale for its current operation.

As you requested, I have also included in your book only a
25X1 package prepared by [   ] on the ICS Role in Education and
Training. I think you can cover this in our discussion of priorities.
It is an example of the kind of tasks that must be looked at very closely
for continued involvement. At issue is how thinly we should spread
ourselves as we balance our overall goals and priorities against
existing manpower resources.

The most important thing that should come out of the discussion
of priorities is an agreed-upon listing of the 10 or 12 most important
things the Staff should be doing. This can serve as the backdrop
for the discussion of how we configure ourselves and where we should
be expending our manpower resources.

When we get to the discussion on the proposed reorganization
it is difficult for me to see exactly where this will come out. However,

2

I think it important that we avoid a discussion of personalities, reserving this as a matter for your personal decision at a later time. There will be a natural tendency to wonder who will be heading each of the new boxes and I expect that you will be asked, either directly, or perhaps indirectly, who these individuals are to be. I think it important that you find a way to put these concerns aside for this conference.

I expect that in the course of the discussion of the reorganization there will be a number of alternatives put forward. This will include everything from maintaining the status quo to variations and combinations of current staff organization to the proposal as you outlined at the Staff Meeting on 12 September. I believe that we should come out of the conference with an agreement on what the basic organization of the IC Staff will be, including what will be included in some of the sub-elements of the three "office" level components. It may well be that we will want some follow-on tasking following the conference on what the manning level should be for each of these proposed staff elements. One thing that we need to keep in mind is that we need to submit a new revised T/O to [   ] by 21 October which gives us a deadline to shoot for in terms of working out our reorganization.

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Another topic you may wish to take up at the conference is the proposed move, including the possibility of splitting the Staff with some elements remaining at Langley and others going to the old Head-quarters complex. It might be worthwhile to hear any thoughts from those present on this important matter.

[   ]

EO/ICS

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